



REALTOR® Office Contact (ROC) - Legislative Briefing May/June 2008

Every day governmental bodies and elected officials are making decisions that impact the real estate industry and thus REALTOR® livelihoods. This briefing will help keep you informed about the issues which could affect you and how the San Diego Association of REALTORS® is working to protect your business.

LOCAL ISSUES

City Elections: SDAR endorses candidates based on their views on issues related to real estate. Several of SDAR's endorsed candidates won their respective races on June 3rd or made it to the run-off election in November. Mayor Jerry Sanders and City Council District 5 candidate Carl DeMaio won their races outright and will take office at the end of the year. The following candidates are endorsed by SDAR and will face the run-off election on November 4th; **Jan Goldsmith – City Attorney, Phil Thalheimer – District 1, April Boling – District 7.** SDAR encourages all members to participate in the elections process. To register to vote, please [click here](#).

STATE ISSUES

SB 1185: Governor Arnold Schwarzenegger recently signed SB 1185 by Senator Alan Lowenthal (D-Long Beach) which will allow developers to build already approved subdivisions as soon as financing becomes available by extending the expiration date for specified subdivision maps. Due to a slowing housing market, it has become more difficult for developers to secure financing to build projects where subdivision maps have already been approved. These maps will soon expire and require developers to go through the entitlement process again, which can take years. This bill allows a one-time extension of existing subdivision maps so developers can build immediately when the demand for housing goes up. For more information on the Governor's efforts to help with housing [click here](#).

AB 2678 (Nunez) Housing Energy Audits / Point of Sale UPDATE: Following a Red Alert by C.A.R. and an effective lobbying effort by SDAR, the author of Assembly Bill 2678 has agreed to remove the requirement from the measure that would have, among other things, required homes and commercial property on the market in California to undergo an energy audit at point-of-sale and mandated completion of energy efficiency investments. While C.A.R. appreciates the goal of energy conservation, the Association strongly opposed the point-of-sale requirements tied to this measure because mandatory retrofits and upgrades carry the potential for adding thousands of dollars to every home-sale transaction and further weakening the housing market in California. These point-of-sale requirements have been removed and the measure was further amended at C.A.R.'s request to ensure that energy audits or improvements are not required as a condition of sale. For more information about the bill, [click here](#).

NATIONAL ISSUES

Housing Bill Stalled: As is reported under the tax provision of this report, the Housing Bill is stalled in the Senate. The bill, which includes FHA reform (with permanent loan limits to 110% of local area median home price, capped at \$625,500), GSE reform (with permanent loan limits to 100% of local area median home price, capped at \$625,500), FHA foreclosure rescue, development of a National Affordable Housing Trust Fund, and a Homebuyer Tax Credit, has been stalled by a procedural vote in the Senate. It is expected the vote will be early in second week of July, when they return from recess. Earlier this year, Congress temporarily set the loan limits at \$729,750. The House is still arguing for NAR-supported higher loan limits, and several other amendments. It is unlikely a final bill will get to the President before the end of July.

Homebuyer Tax Credit and Housing Legislation Stall in Senate: The proposed \$8000 homebuyer tax credit is stalled in the Senate as a few Senators exercises their prerogatives under the Senate rules to shut down action. When the Senate voted on its motion to proceed to debate on the housing bill (HR 3221), that motion was agreed to on a vote of 83 - 9, indicating the overwhelming bipartisan support for the entire housing package. Despite that high level of support, one Senator has held up debate by insisting that the Senate include extensions of a series of energy tax credits. Another Senator has delayed the process by refusing to waive some minor, but time-consuming, procedural requirements. As currently drafted, the homebuyer tax credit would be available for any qualified purchase between April 8, 2008 and April 1, 2009. The current legislative delays have led NAR to begin working with the tax-writing committees to extend the credit's availability to a later date in 2009.